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BEFORE THE DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY WASHINGTON, D.C.

Application of

I.M.P. GROUP LIMITED c.o.b.a. CANJET AIRLINES, A DIVISION OF I.M.P. GROUP LIMITED

Docket OST-02-13814 ~ 6

for renewal of an exemption pursuant to 49 U.S.C. § 40109(c) (Canada-U.S. Scheduled Authority)

APPLICATION OF I.M.P. GROUP LIMITED c.o.b.a. CANJET AIRLINES, A DIVISION OF I.M.P. GROUP LIMITED FOR RENEWAL OF AN EXEMPTION

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October 18, 2004

NOTICE: Answers to this Application are due to be filed on November 2, 2004. Answers must be filed in the DOT's Docket Section and served on all persons named on the attached Service List.

BEFORE THE DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY WASHINGTON, D.C.

Application of

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APPLICATION OF I.M.P. GROUP LIMITED c.o.b.a. CANJET AIRLINES, A DIVISION OF I.M.P. GROUP LIMITED FOR RENEWAL OF AN EXEMPTION

I.M.P. Group Limited c.o.b.a. CanJet Airlines, a Division of I.M.P. Group Limited ("CanJet"), hereby applies, pursuant to 49 U.S.C. § 40109 and Subpart C of the Procedural Regulations of the Department of Transportation (the "Department" or "DOT"), for renewal of its temporary exemption from 49 U.S.C § 41302 authorizing CanJet to perform transborder scheduled and charter flights carrying persons, property and mail between any point or points in Canada and any point or points in the United States pursuant to the February 1995 Bilateral Air Transport Services Agreement between Canada and the United States (the "1995 Agreement"), as most recently granted by Notice of Action Taken issued on December 16, 2003, through December 16, 2004.

CanJet requests that the foregoing exemption authority be granted for a period of two years, through December 16, 2006, or until 90 days after final action by the Department on a forthcoming application by CanJet for a Foreign Air Carrier Permit pursuant to 49 U.S.C. § 41302 authorizing the same broad-scope transborder operations, whichever occurs first.

In accordance with Section 302.303 and Section 211.20 of the Department's Regulations, CanJet submits the following information in support of this renewal application:

1. Existing Authority and Operations. CanJet is a Canadian air carrier based in Halifax, Nova Scotia, which is currently engaged in operating scheduled and charter air transportation within Canada, and between Canada and the United States, utilizing a fleet of seven Stage 3-compliant Boeing 737-200 aircraft configured to carry 120 passengers, and one Boeing 737-500 aircraft which is also configured to carry 120 passengers. The current scheduled transborder service operated by CanJet consists of various nonstop roundtrip flights each week between Halifax, Hamilton, Montreal, Ottawa, Toronto and Winnipeg, Canada, on the one hand, and New York, Chicago, Tampa/St. Petersburg, Sarasota, Orlando and West Palm Beach, on the other hand.

In addition to its U. S. DOT exemption authority at issue, CanJet holds a Part 129 Foreign Air Carrier Certificate and Operations Specifications issued to it by the U. S. Federal Aviation Administration (the "FAA"). CanJet holds Canadian Transportation Agency License No. 965016, dated November 4, 2002 and Air Operator Certificate No.

10305 issued by Transport Canada on October 29, 2002, which authorize CanJet to operate scheduled international air service between all points in Canada and all points in the United States.

- 2. <u>Automatic Extension</u>. CanJet hereby invokes and relies upon the provisions of Section 558(c) of the Administrative Procedure Act, 5 U.S.C. §558(c), as implemented by Part 377 of the Department's Special Regulations (14 C.F.R. §377), to continue in effect its exemption to provide scheduled foreign air transportation between Canada and the United States until the Department makes a final determination of this Application. In accordance with Section 377.10(c)(3), this renewal application is being filed prior to the expiration date of the temporary authority at issue.
- 3. Ownership, Citizenship and Fitness. Subsequent to the filing of CanJet's initial exemption application on November 12, 2002, there has been no material change in the ownership, board of directors, executive management and key operations management personnel of CanJet, all of whom are citizens of Canada. During that same period, there has been no material adverse change in CanJet's financial condition, scope and type of operations, compliance disposition or safety record.
- 4. <u>Applicable Bilateral Agreement</u>. As the Department has previously determined (Notice of Action Taken, December 11, 2002), the exemption authority at issue is consistent with the February 1995 Bilateral Air Transport Services Agreement between Canada and the United States.

- 5. <u>Fitness and Public Interest</u>. CanJet submits that the renewal of its existing exemption authority is consistent with the public interest and Department precedent. CanJet has been found by the Department to be fit, willing and able to perform the air transportation applied for herein and to conform to the provisions of the Federal Aviation Statutes and the rules, regulations and requirements of the Department thereunder. For the reasons stated above, the foreign air transportation which CanJet proposes to render is presumptively consistent with the public convenience and necessity.
- 6. <u>Duration of Renewal</u>. CanJet requests that the exemption authority at issue be renewed for a two-year period, through December 16, 2006, or until 90 days after final action on a future application by CanJet for a Foreign Air Carrier Permit granting the same and other authority. Grant of a two-year extension is consistent with the policy and practice of the Department in renewing temporary authorizations in open-entry markets.

WHEREFORE, CanJet respectfully requests the Department to issue an Order or Notice of Action Taken renewing CanJet's existing exemption from 49 U.S.C. § 41301 for a period of two years, through December 16, 2006, or until 90 days after final action on a

future application by CanJet for a Foreign Air Carrier Permit authorizing the same operations, whichever occurs first.

Respectfully submitted,

Nathaniel P. Breed, Jr.

ZUCKERT SCOUTT & RASENBERGER LLP

Attorneys for

I.M.P. GROUP LIMITED c.o.b.a. CANJET AIRLINES,

A DIVISION OF I.M.P. GROUP LIMITED

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing Application of CanJet by messenger, telecopier transmission, or United States mail, properly addressed and with postage prepaid, upon each of the persons listed in the Service List attached hereto.

oyce S. Allen

Washington, D.C. October 18, 2004

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